



STATE OF MAINE REQUEST FOR PROPOSALS AMENDMENT

RFP NUMBER AND TITLE:	201206336 Managed Service Provider for IT Staff Augmentation Services
AMENDMENT NUMBER:	1
AMENDMENT DATE:	July 19, 2012
PROPOSAL DUE DATE:	August 7, 2012, 2:00pm Eastern Time
ISSUED BY:	Department of Administrative and Financial Services, Office of Information Technology
DUE TO:	Division of Purchases Burton M. Cross Building, 4th Floor 111 Sewall Street, 9 State House Station Augusta, ME 04333-0009
DESCRIPTION: <p>The purpose of Amendment 1 to Request for Proposals (RFP) #201206336 is to provide answers to questions received from interested offerors, regarding the State of Maine's requirements for this acquisition.</p> <p>Please note: some questions that were submitted may not have been answered. Also, as noted on page 2 of the RFP, the State of Maine reserves the right to not answer any question.</p>	
PART I INTRODUCTION, B. General Provisions, 5., shall be changed to the following: <p>Following announcement of an award decision, all submissions in response to this RFP will be considered public records available for public inspection pursuant to the State of Maine Freedom of Access Act (FOAA) (1 M.R.S. §§ 401 <i>et seq.</i>). If a Bidder submits materials that it claims are confidential because they are not "public records" pursuant to FOAA, the Bidder must (1) conspicuously and precisely designate those particular portions of its materials as "confidential" and (2) provide the specific statutory or other legal basis that excepts the designated materials from FOAA's definition of "public record." (See 1 M.R.S. § 402; http://www.maine.gov/foaa/law/exceptions.htm.) A Bidder's confidential designation does not ensure nondisclosure of the material; the State shall determine whether submitted materials are "public records."</p>	
<p>Unless specifically addressed below, all other provisions and clauses of the RFP remain unchanged.</p>	

Provided below are the answers to the questions that were received from interested offerors on or before July 13, 2012.

Question #			Question	Answer
1			Why is the State of Maine releasing an MSP RFP at this time? Are there issues with the current MSP?	The State of Maine issues RFP's to assure competitive procurement and pricing of services. In the Case of CAI, the State of Maine chose to participate in the Pennsylvania procurement w/o issuing its own RFP. After 2+ years using CAI, the State feels it should issue the RFP.
2			Does the State of Maine hold the contract with Peoplefluent (or is the technology part of the current MSP contract)?	The State of Maine holds the contract with CAI, and CAI provides access to Peoplefluent.
3			Is the State of Maine satisfied with Peoplefluent as a VMS? What additional/different functions are wanted in a technology?	Peoplefluent is the first VMS the State has experience with and provides adequate functionality. The State is interested in exploring the options available.
4			In the Request for Proposal, a 60 day implementation timeline is outlined. With the installation of technology, this would be a very tight timeframe, is the 60 day timeline flexible?	The State is interested in a timely, quality, cost effective service. The 60 days is the timeframe we have allocated to implementation.
5			Is it expected that the cost of technology to be part of the MSP fee, which is built into the pay rate?	The MSP should bear all costs associated with providing the solution, including the VMS.
6			In Section IV, Supplier Network, Question 7, it is requested that all vendors be notified of all requisitions released. Typically in a tiered network, Tier 1 vendors are notified of all requirements and subsequent vendor tiers are only notified of unfilled requisitions. Does this meet your expectations?	We are anticipating a delayed notification to subsequent tier vendors, but we are open to proposed alternatives.
7			Within the contract the State of Maine is asking for an Irrevocable Line of Credit for the entire amount of the agreement. What dollar amount does the State of Maine expect for this two year agreement?	The State presented standard contract terms and conditions in the RFP. The State does not anticipate requiring a Line of Credit.
8			We are registered in Tampa FL. Are we eligible to respond to this RFP?	All vendors are eligible to respond.
9			Are there any registrations of the state that have to be met.	The vendor must register within the State accounting system to do business and receive payments.
10			Would we be at a disadvantage to any local vendor ?	There is no vendor preference in Maine.
11			Is there any set-aside for minority companies ?	There is no vendor preference in Maine.

12			The 24% fee that was quoted on the call and the 7% what were they for?	During the bidders conference, a description of the current fixed rate card was provided. A wage rate obtained from IT labor market surveys is the basis of the rate. An approximate 24% markup is applied to the wage rate (wage rate x 1.24) to obtain the supplier rate (rate paid to the supplier). An approximate 7% markup is applied to the supplier rate (supplier rate x 1.07) to obtain the fixed bill rate. The MSP fee is this 7% markup.
13			My understanding for the 7%, is the VMS fee that CAI charges from the providing vendor billing fee, is that correct?	The cost of the VMS is part of the MSP fee.
14			What is the MSP fee that CAI currently charges the State of Maine?	See answer to question 12.
15			What is the current mark-up fee that CAI charges for the 10% of the placements that they can provide to the State?	The bill rate and the MSP markup are fixed for all resources regardless of the supplier.
16			What are the current job classifications bill rates?	Rates are posted at this website: http://www.maine.gov/purchases/files/Market_Based_Rate_Card.pdf
17			Is the 7%, a fee that you put in place that the MSP can charge a vendor or is that a number that we must provide you in our response? if yes, where on the price sheet does it go?	See answer to question 12. The proposed MSP fee should be entered in highlighted cell in the second worksheet of the cost proposal form in Excel.
18			Is it mandatory for the responding vendors to provide resources in all of the job title/skill categories or can they respond to selected job titles depending on their expertise and focus areas?	The MSP should be able to provide resources for all job titles from the supplier network.
19			How many vendors are likely to be awarded thru this RFP?	One award will be made to one vendor.
20			Are all approved vendors (Appendix C) required to be re-awarded again thru this contract?	No. Please read question 3 under B. MSP Model Requirements on page 6 of the RFP document.
21			For all those vendors who have 0 submissions in appendix C, what are the chances of a re-award?	This RFP is to select an MSP, not suppliers in the network. Also see answer to question 20.
22			What is the anticipated timesheet hours & \$ spend for each job title for the years 2012 & 2013?	We do not have any estimates.

23			“The MSP will utilize a Vendor Management System (VMS) to automate and support the IT staff augmentation lifecycle and to provide standard and customized reports to the Department” – Can you pls. elaborate what is required to be provided in the response for this statement? What is the proposing vendor does not use or have a VMS?	The MSP must supply a VMS. Any proposal lacking a VMS component will be non-responsive.
24			Do responding vendors need to have registered with the everify program?	No. However, all candidates submitted by the MSP must comply with US employment laws. That is, they must be a US Citizen or be legally authorized to work in the United States.
25			Do answers to all the questions in section VII (pages 11-13) need to be part of the response?	The proposal should respond to all questions. Proposals lacking responses to some questions may be deemed non-responsive.
26			Economic Impact within the State of Maine – What if the responding vendors currently have no clients or business interests in the State of Maine? Will they be excluded?	If the proposal does not demonstrate economic impact to the State of Maine, the assigned points for that section will not be awarded.
27			Pls. confirm no resumes are required as part of the response. If they are required, hope it is not part of the 45 page limit.	If resumes are requested in a question, they can be part of the attachments.
28			In reference to Pg. 13, D - Cost Proposal, can you please confirm that the vendor's hourly bill rate for their resources is the rate charged to the Department, and the MSP fee is subtracted from that vendor's hourly bill rate? For example, if a vendor's hourly bill rate is \$100 per hour, and the MSP fee is 7%, the vendor will receive \$93/hour and the MSP will receive \$7/hour.	Correct, the NTE bill rate proposed is the rate charged to the Department, and the MSP will retain their markup proposed in the second worksheet. The Department will pay the MSP and the MSP will be responsible for paying the vendor/supplier.
29			As defined in Appendix F, the MSP fee is charged on the NTE rate. When a vendor bill rate is reduced from the NTE, is it the Department's intent that the MSP fee be charged on the lower rate and not the NTE rate? If so, then should the language in the Appendix F be as follows: “Please use this table to enter the MSP's percentage of the actual vendor hourly bill rate (at or below the defined NTE bill rate)”.	Correct, the MSP fee will be calculated based on the rate proposed by the vendor/supplier for each resource, not the NTE rate. The proposed language is acceptable.
30			Related to the question above, we assume that the MSP is required to disclose the vendor hourly bill rate to the Department. Is this correct?	Correct, hiring managers should know the hourly rate proposed by the vendor for each candidate.

31			In the Department's assessment, what are the primary reasons for turnover?	Resources typically are itinerant and always looking for a better paying job. Rates have been based on the Augusta job market, which is not competitive with areas like Boston. The location of Augusta away from major metro areas is a big change for some.
32			In reference to Part II, Scope of Services, B. MSP Model Requirements - 3, what is the Department's primary objective in establishing a tiered network of vendors instead of having all approved vendors be Tier One?	Tiering the network will create a smaller pool of high performing suppliers who can be managed as a subset of the network. Depending on the criteria proposed by the MSP, there should be an incentive to offering high quality candidates at a competitive price.
33			Are all requirements onsite at State of Maine office?	Most resources will be located at one of the State's office buildings in the Augusta area.
34			What are the key technologies in which the various resources are to be augmented?	The RFP indicated titles most commonly used. Common skill sets requested include: Oracle, java, .net, ETL/Data Warehouse, project management, MS SQL Server. In general, the State seeks candidates with more work experience than less.
35			Is there any vendor management system currently used? If yes, please provide details.	CAI uses the Peoplefluent VMS as part of its MSP operations.
36			My corporation separates our HR Solutions Group (MSP) and Staffing divisions in an effort to truly develop vendor neutrality. For our customers, this means that our staffing divisions, which operate under separate cost centers, are held to the same standards as other vendors and are scored in the same manner. In addition, it provides the customer with the flexibility of working with only one division, if deemed necessary. Due to this division, would the 10% maximum placement stipulation still hold true?	The SLA limiting the MSP to supplying up to 10% of the candidates will apply regardless of the divisions within the company. Candidates supplied by the MSP must be screened like any other candidate.
37			Please provide detail on the mark-up structure and the current MSP fee from Computer Aid. The conference call mentioned a 24% mark-up and a 7% MSP fee. However, please provide the recipient of each portion.	Please see the answer to question 12 and other answers on this topic.
38			In addition, with the current program, are there additional tasks that are being performed by Computer Aid outside of tasks listed in the RFP?	This RFP includes all the functions performed by CAI.

39			The conference call indicated that the MSP would be responsible for background checks. However, who is responsible for adjudicating the results of the check for results that might fall under a "dishonesty clause."	A background check must be performed on the final successful candidate; it is optional for non-selected submissions. Questions regarding submission accuracy/honesty should be brought to the attention of the MSP and State contract manager. Resume inflation will not be tolerated.
40			Are all background checks consolidated through one background check provider? Can the State provide the current background check requirements?	Current background checks are performed by the submitting vendor using InforME. http://www5.informe.org/online/pcr/ . The Informe check performs a 'Maine Only' background check. The State of Maine will complete and pay for checks for positions that require nationwide fingerprint based background checks (this is a very limited set of jobs).
41			Of the 7% MSP fee, what is the fee % that accounts for the current VMS?	There is no separate VMS fee.
42			Within the contract the State of Maine is asking for an Irrevocable Line of Credit for the entire amount of the agreement. What dollar amount does the State of Maine expect for this two year agreement?	Please see answer to question 7.
43			You mentioned in the meeting that MSP would be allow to direct staff 10% and no more. I'd like to know if that number could increase to 20% if the State of Maine could realize a significant cost savings?	Bidders should not anticipate that the SLAs will be changed during the contract period.
44			"Managed Service Provider for IT Staff Augmentation Services", is this particular bid open for all the vendors? Can we response to this proposal request ?	All vendors capable of providing an MSP solution are welcome to respond.
45			Is this RFP is only for vendors holding any particular State Term Contracts?	No.
46			Are you want to get whole service?Can we supply only candidate?	One award will be made to a bidder who can provide the entire solution.
47			Will the State supply all computer equipment and other necessary hardware required for a resource to perform the functions required?	The State supplies all hardware and software for a resource to perform the work (such as a programmer-4). The State does not anticipate supplying the computer for the MSP Onsite Manager. The State does anticipate allowing the MSP vendor to use its network, printers, copiers, etc.
48			Supplier neutrality generally means that the MSP will not provide any of the staffing. Is this the case for Maine?	The MSP may propose and supply candidates, as limited by the "Opportunity to the Network" and "Usage of the Network" SLAs in Appendix E.

49			What happens if a candidate is found to be unsuitable after arriving onsite?	If the state deems a candidate unsuitable within 5 working days of arriving onsite, the state will not incur any cost associated with the engagement.
	Reference	Subject	Question	Answer
50	Pg. 6, Part II.B.2) Candidate Supply	Examples and Metrics from similar size and job market programs where candidate sourcing is successful	In order to conserve space, may we include these examples in an attachment to our proposal?	Yes, examples can be an attachment to the proposal.
51	Pg. 10, Part II.C.V.7 and 8 Standard Reports	Sample Reports	Please confirm that we can include sample reports for both of these requirements (#7 and #8) in an attachment.	Yes, example reports can be provided as attachments.
52	Pgs. 11-13, Part II.C.VII. Vendor Management System	Screen shots	Many of our responses could include screen shots to demonstrate how the VMS tool fulfills a requirement. Can we include screen shots in an attachment if properly cross-referenced between our proposal and the attachment?	Yes, screen shots can be provided as attachments.
53	Pg. 13, Part II.C.VII.26 Electronic Invoicing	Definition of Electronic Invoice	What does Maine consider to be an electronic invoice (emailed copy of invoice; data file; etc)?	A legible pdf of an invoice would qualify as an electronic invoice.
54	Pg. 17, Part IV. B.1.1	Subcontractors	We believe that the subcontractors referred to in this section are exclusive of the supplier network. Please confirm.	Correct, the language regarding subcontractors refers to any function expected of the MSP, not the suppliers in the network.
55	Pg. 17, Part IV.B.1.2.b	Copy of face page of Bidder's applicable insurance policy	In order to conserve space, may we include this as an attachment?	Yes, the insurance policy can be an attachment.

56	Pg. 18, Part IV.B.IV. Economic Impact within the State of Maine	One-page response	Is the response to this requirement included in the 45 page limit?	Yes, this is part of the body of the proposal, not an attachment.
57	Pg. 64, Appendix E – Service Level Agreement	Calculation for Urgent Round 1 Fill Rate	Should the calculation for Urgent round 1 Fill Rate be Total number of NE URGENT filled positions resulting from the first round of resumes / total number of NE URGENT requisitions filled? (it seems like 'Urgent' was left out of the denominator)	Yes, thank you for the correction. The SLA will be updated in the drafting of the contract
58	Pg. 16 A. Proposal Format; V.		Part IV Proposal Submission Requirements state that, "The Bidder may not substitute additional attachments beyond those specified in the RFP for purposes of extending their response". Is it acceptable to the State for respondents to include an appendix with graphics that reference and relate specifically to the ~75 Scope of Services responses?	Yes, screen shots and graphics can be part of the attachments. See also response to questions 50-52.
59	Pg. 16 A. Proposal Format; VIII		Part IV Proposal Submission Requirements state that, "Bidders should complete and submit the proposal cover page provided in Appendix A of this RFP and provide it with the Bidder's proposal. The cover page must be the first page of the proposal package". Can the State please clarify what value is desired within the "Proposed Cost/MSP Fee" field?	This value should be the same value as entered in the second worksheet of the cost proposal. This is only for administrative purposes. The value in the cost proposal will be used in evaluation if different from the cover page.
60	Pg. 1 Appendix F. Cost Proposal		Are NTE rates inclusive of the MSP Fee?	See response to question 29.
61	Pg. 13 D. Cost Proposal, II. MSP Fee		May the offeror propose a MSP fee in dollar (\$) terms rather than a percentage?	No, the fee must be a percentage.
62	Pg. 13 D. Cost Proposal, I. NTE Bill Rate		Will the state be providing the market data for IT labor rates as referenced in point #2 and mentioned in the bidder's conference?	No, the MSP must be capable of obtaining this data.

63	Pg. 13 D. Cost Proposal, I. NTE Bill Rate		Is this work subject to the Service Contract Act (SCA) and Davis-Bacon Act (DBA) Wage Determinations?	Both Acts apply to wages and benefits paid to contractors or subcontractors. The suppliers in the network are responsible for the payment of wages and should be knowledgeable of any Department of Labor acts or laws applicable to their business.
64	Pg. 1 Appendix F. Cost Proposal		In the bidder's conference, it was mentioned that the current markup on labor rates is 24% with a service fee of 7%. Can the State please elaborate to explain this 31% markup, specifically describing the components of the "base labor rate" and the individual mark-up's?	Please see answer to question 12.
65	Pg. 1 Appendix F. Cost Proposal		Is the following accurate as to the build-up of the total State cost for different labor categories as described in the bidder's conference: the engaged resource receives \$25.00 base labor rate or hourly wage; the vendor company receives 24% on top of that rate or a \$31.00 bill rate to cover G&A, overhead, and profit; and the MSP receives 7% on top of that rate or \$33.17 from the State?	That is essentially correct, though the State does not specify what the resource should be paid. Please see answer to question 12.